

ORDINANCE NO. 1114 - 2019

**AN ORDINANCE OF THE CITY OF MIAMI SPRINGS,
FLORIDA, AMENDING SECTION 35-55,
"CONTRIBUTIONS" OF THE POLICE AND FIREMAN
PENSION PLAN OF THE CITY'S CODE OF
ORDINANCES; PROVIDING FOR IMPLEMENTATION;
PROVIDING FOR INCORPORATION INTO THE CODE;
PROVIDING FOR CONFLICTS; PROVIDING FOR
SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE
DATE**

WHEREAS, the City of Miami Springs (the "City") has an established pension plan for the City's Police and Firefighters, which is codified in Article II, Chapter 35 of the City's Code of Ordinances ("Code"); and

WHEREAS, the City and the Florida State Lodge Fraternal Order of Police, Inc. recently entered into a Collective Bargaining Agreement ("Agreement") for fiscal years 2017-2018 through and including 2019-2020; and

WHEREAS, the Agreement contains certain changes to the Police and Firefighters' Retirement System, which require an amendment to Section 35-55 of the City's Code in order to be implemented; and

WHEREAS, the City Council hereby finds that the adoption of this Ordinance is in the best interest and welfare of the residents of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MIAMI SPRINGS, FLORIDA, THAT: ¹

Section 1. Recitals Adopted. The foregoing recitals are confirmed, adopted, and incorporated herein and made a part hereof by this reference.

¹ Coding: ~~Strikethrough~~ words are deletions to the existing words. Underlined words are additions to the existing words. Changes between first and second reading are indicted with **yellow highlight**.

Section 2. Amending Section 35-55 of the City Code. The Code of Miami Springs, Florida is hereby amended by revising Section 35-55 "Contributions," which section shall read as follows:

Section 35-55. Contributions

(A) *Member contributions.*

(B) *State contributions.*

(C) *City contributions.*

(1) On behalf of bargaining unit members and nonbargaining unit managerial employees employed in that capacity after the adoption of this amended provision. So long as this system is in effect, the City shall make an annual contribution to the trust fund in an amount equal to the difference in each year as between the total of aggregate member contributions for the year plus state contributions for the year, and the total cost for the year as shown by the most recent actuarial valuation and report for the system. The total cost for any year shall be defined as the total of normal cost plus the additional amount sufficient to fund the unfunded accrued past service liability over a 40-year period, commencing with the fiscal year in which the effective date of this system occurs. However, should the combined cost of the City's and the employee's contributions in any one year exceed 18 percent of the total budgeted payroll for police officers for that year, the excess over 18 percent shall be rounded to the nearest 0.1 percent of budgeted payroll, and the resulting excess rate over 18 percent shall be divided in two with members paying half the excess and the City paying the other half for that fiscal year. Should the combined cost of the City's and the employees' contributions of the total cost in a given fiscal year be less than 14 percent of the total budgeted payroll for police officers for that year, the difference under 14 percent shall be rounded to the nearest 0.1 percent of budgeted payroll. The resulting amount shall be divided in two with members reducing their contribution rates by half the difference, and the City reducing its contribution by the remaining half for that fiscal year.

(2) On behalf of the grandfathered nonbargaining unit managerial employees.

(a) Non-bargaining unit managerial employees employed in that capacity as to the date of the adoption of this amendment to this division of the police retirement system on September 27, 1993, shall continue to be covered by the provisions of the prior division (included hereinafter) as if the same has not been amended. New nonbargaining unit managerial employees, becoming employed in that capacity after the adoption of this amendment to this division of the police retirement system on September 27, 1993 shall be governed and/or continue to be governed by the foregoing provision which shall also cover bargaining unit members.

(b) Those police retirement system members grandfathered pursuant to subdivision (a) above shall be governed by the following language as to City contributions:

So long as this system is in effect, the City shall make an annual contribution to the trust fund in an amount equal to the difference in each year as between the total of aggregate member contributions for the year plus state contributions for the year, and the total cost for the year as shown by the most recent actuarial valuation and report for the system. The total cost for any year shall be defined as the total of normal cost plus the additional amount sufficient to fund the unfunded accrued past service liability over a 40-year period, commencing with the fiscal year in which the effective date of this system occurs. However, should the City's portion of the total cost for grandfathered members in a given fiscal year exceed 23 percent of the total budgeted payroll for police officers for that year, the excess over 23 percent shall be rounded to the nearest 0.1 percent of budgeted payroll, and the resulting excess rate over 23 percent shall be divided in two with grandfathered members paying half the excess and the City paying the other half for that fiscal year. Should the City's portion of the total cost in a given fiscal year be less than 23 percent of the total budgeted payroll for grandfathered police officers for that year, the difference under 23 percent shall be rounded to the nearest 0.1 percent of budgeted payroll. The resulting amount shall be divided in two with the grandfathered members reducing their contribution rates by half the difference, and the City reducing its contribution by the remaining half for that fiscal year.

(3) Notwithstanding paragraphs (1) and (2) above, for the plan years beginning October 1, 2017 through September 30, 2019 ~~2020~~, the maximum employee contribution calculated in

accordance with paragraphs (1) and (2) above shall be 12.5 percent, and for the plan year beginning October 1, 2019 the maximum employee contribution calculated in accordance with paragraphs (1) and (2) above shall be 10.5 percent. All accumulated excess and annual excess Chapter 185 premium tax monies shall be used to fund the reduction in employee contributions provided in the preceding sentence, and to the extent that excess Chapter 185 premium tax revenues are not sufficient to fully fund the reduction, the City's contribution shall be increased. Effective October 1, 2020, employee contributions shall be determined in accordance with paragraphs (1) and (2) above.

* * *

Section 3. Implementation. The City Manager, City Clerk, and City Attorney are hereby authorized and directed to implement the provisions of this Ordinance and to take any and all necessary administrative actions as may be appropriate by their position to execute the purpose of this Ordinance.

Section 4. Incorporation into the Code. The provisions of this Ordinance, to the extent appropriate, shall become and be made a part of the Code of Ordinances of the City of Miami Springs. The City Clerk is authorized to take all actions necessary to incorporate the provisions of this Ordinance into the Code of Ordinances, including, but not limited to, renumbering or relettering sections and to change and that the word "ordinance" may be changes to "section," "article," or such other appropriate word or phrase in order to accomplish such intention.

Section 5. Severability. The provisions of this Ordinance are declared to be severable and if any section, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Ordinance but they

shall remain in effect, it being the legislative intent that this Ordinance shall stand notwithstanding the invalidity of any part.

Section 6. Conflicts. All ordinances or parts of ordinances, resolution or parts of resolutions, in conflict herewith, are repealed to the extent of such conflict.

Section 7. Effective Date. This Ordinance shall become effective immediately upon adoption.

PASSED ON FIRST READING this 28th day of May, 2019, on a motion made by Vice Mayor Best and seconded by Councilwoman Mitchell.

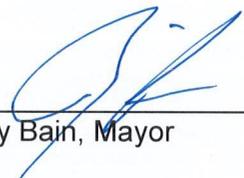
PASSED AND ADOPTED ON SECOND READING this 24th day of June, 2019, on a motion by Councilman Petralanda and seconded by Councilwoman Mitchell.

Vice Mayor Bob Best	<u>YES</u>
Councilwoman Mara Zapata	<u>YES</u>
Councilwoman Maria Puente Mitchell	<u>YES</u>
Councilman Jaime Petralanda	<u>YES</u>
Mayor Billy Bain	<u>YES</u>

ATTEST:


ERIKA GONZALEZ-SANTAMARIA, MMC
CITY CLERK




Billy Bain, Mayor

APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE USE AND RELIANCE OF THE CITY OF MIAMI SPRINGS ONLY:


WEISS, SEROTA, HELFMAN, COLE & BIERMAN, P.L.
CITY ATTORNEY